



State of California

Employment Training Panel

Arnold Schwarzenegger, Governor

September 14, 2009

Jack Hooven, VP Operations
New Tangram, LLC (Tangram)
9200 Sorensen Avenue
Santa Fe Springs, CA 90670

Dear Mr. Hooven:

RE: FINAL MONITORING VISIT REPORT for TANGRAM HPW - ET08-0116

Date of the Visit:	08/20/09
Beginning/Ending Time:	9:30 a.m. – 12:00 p.m.
Date of Last Visit:	03/05/09
Visit Location:	Santa Fe Springs
Persons in attendance:	Maricris Lafiguera, Human Resources Administrator, Tangram Margarita M. Paccereilli, ETP Contract Analyst
Action Required:	No

NOTE: There was a delay in the issuance of this report because the ETP Analyst was on vacation for three weeks the latter part of August to September.

CONTRACT INFORMATION:

Term of Agreement:	08/07/07 – 08/06/09	Agreement Amount:	\$501,552
Training Start Date:	08/07/07	No. to Retain:	258
Date Training must be Completed:	05/08/09	Range of Hours:	24-200
Type of Trainee:	Retrainee	Weighted Ave. Hours:	108

FINAL REPORT SUMMARY

• HISTORY OF AGREEMENT CHANGES

The Agreement was executed on September 21, 2007 and training began on August 7, 2007. Ms. Lafiguera reported that all training was completed on May 7, 2009, which

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allowed for the 90-day retention period to be completed within the term ending date of the Agreement – August 6, 2009.

On April 28, 2009, ETP approved your Modification request to change the contract term date to August 7, 2007 through August 6, 2009. According to Ms. Lafiguera, training did not start in July 2007 as originally planned. Training started on August 7, 2007; therefore, Ms. Lafiguera requested to change the term date to August 7, 2007 through August 6, 2009 to allow the company to complete training and retention period within the amended term.

- **FINAL PROJECT STATISTICS**

Your Agreement contains a variable training plan, which means that reimbursement will be based on the total actual number of training hours completed by each trainee between 24 and 200 class/lab training hours. There will be no reimbursement for any trainee who does not complete a minimum of 24 hours of training from the required curriculum.

Based on the data obtained from the ETP Online Tracking System, there are 27 trainees who met the minimum class/lab training hours. There are 5,899.5 total training hours completed by these trainees with projected earnings of \$106,191 (21% of the Agreement amount). Since your company has received \$88,080 from ETP, your company will receive an additional \$18,111, if the anticipated number to retain is verified during the final fiscal closeout.

Ms. Lafiguera was reminded that this Agreement ended in August 6, 2009. At this time, all active trainees must either be dropped or invoiced for final payment. By the terms of the agreement the final contract closeout should have been completed within 30 days of the end term date of the Agreement. Since there was a delay in the issuance of this final report, ETP is extending the submission of the final closeout for another 30 days. The final contract closeout invoice and associated documents must be submitted to ETP on or before the close of business on October 6, 2009.

- **INTERVIEW WITH CONTRACTOR'S REPRESENTATIVES**

According to Ms. Lafiguera, your company did not complete 100% in this Agreement because it shifted its focus from training to obtaining more business due to the current economy.

Although your company did not complete 100%, she reported that your company greatly benefited from the ETP-funded training. She stated that trainees improved their computer skills, particularly in Microsoft Excel and upgraded version of AutoCAD. Other trainees also benefitted from the communication and leadership skills training. Overall, she stated that the training provided trainees the skills necessary to be competitive in their industry.

Ms. Lafiguera also stated that she did not experience any problem with ETP record keeping and that ETP staff was very helpful in providing assistance in the administration of this project.

PROJECT STATUS PROVIDED BY THE CONTRACTOR:

Trainees Enrolled:	263	Completed Retention:	134
Dropped Following Enrollment:	129	In Retention Period:	0
Completed Training:	134		

The project statistics provided by your project staff matches those listed on the current ETP Contract Status Report.

TRAINING RECORDS

Ms. Pacerelli conducted a random sampling of 13 trainees who completed training. Records reviewed validated the completion of the training hours required in this Agreement. Records show that these trainees completed between 28 and 84 class/lab training hours and the completed hours matches those posted on the ETP Online Tracking System. Records reviewed confirmed that the Agreement curriculum was provided as specified and the ratio of trainer to trainee delineated in the Agreement training plan was adhered to.

The above findings are based only on the training records reviewed during this visit and represent only a sample of the training records completed to date. Therefore, it is your responsibility to ensure that all training records comply with Panel requirements for auditing purposes. (Reference: Title 22 California Code of Regulations, Section 4442)

AUDIT

Your company will be notified in writing if this agreement is selected for an audit that will be conducted either at your site (field audit) or by telephone if selected for a desk review. These notifications will be sent in advance to allow ample preparation time and will include a list of documentation that will be examined by the auditor. A list of the documentation typically examined during an audit will be included along with the Audit Notification and Audit Confirmation letters.

To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

RECORD RETENTION

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding this report, please contact Margarita Paccereili at (818) 755-1317 or by email at mpaccereili@etp.ca.gov within ten (10) working days from the receipt of this report.

Sincerely,

Signature on file

Wally Aguilar, Program Manager
North Hollywood Regional Office

Signature on file

Margarita M. Paccereili, Analyst
North Hollywood Regional Office

cc: David Guzman, Chief, ETP Audit & Program Operations Division (via email)
Kulbir Mayall, ETP Fiscal Manager (via email)
Maricris Lafiguera, New Tangram LLC (via email)
Master File
Project File

Date report mailed to Contractor 9/16/09